

# KENTUCKY AGRI-NEWS



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**FEATURING:**   •Agricultural Prices   •Hogs & Pigs   •Cattle on Feed   •Milk Production  
                  •Slaughter               •Cold Storage   •Small Grains   •Grain Stocks

## KENTUCKY GRAIN PRICES INCREASE WHILE LIVESTOCK PRICES DROP

Mid-month prices received by **Kentucky** farmers were up for grains while down for livestock.

Cattle prices continue to decline. **Steers and heifers** 500 lbs. and over at mid-September averaged \$71.00 per cwt., down \$1.00 from August and \$11.00 from September a year earlier. This was the lowest prices have been since August 1999. **Beef cows** averaged \$34.00 per cwt., down \$2.00 from August, \$8.00 from September last year and the lowest since January 2000. **Calf** prices under 500 pounds were at their lowest level since August 1999. The September mid-month price was \$79.00 per cwt., down \$1.00 from August and \$16.00 from a year earlier.

Prices received for **barrows and gilts** decreased again after showing some mild recovery. The mid-month price averaged \$23.00 per cwt. This was down \$5.00 from August and \$20.00 from September 2001. Prices were at their lowest point since December 1998. **Sows** averaged \$13.00 per cwt. at mid-September, down \$5.00 from the previous month and \$21.00 from a year earlier. This was the lowest sow price in over 3 years.

The **all milk** mid-month price averaged \$12.80 per cwt., unchanged from August. This was down \$5.30 from September 2001. Milk prices continue to be at a low level.

Grain prices saw improvement from the previous month and previous year. The mid-September **corn** price was \$2.65 per bushel, up 17 cents from the previous month and 66 cents from the previous year. The price was the highest since March 1998. Prices received for **soybeans** averaged \$5.60 per bushel, up 2 cents from August and \$1.03 from September 2001. **Winter wheat** averaged \$3.60 per bushel for mid-September, up 51 cents from a month earlier and \$1.15 from a year earlier. The winter wheat price was the highest in over 5 years.

The preliminary **U.S.** All Farm Products Index of Prices Received by Farmers in September was 99, based on 1990-92=100, down 1 point (1.0 percent) from the August index. Lower prices for hogs, potatoes, lettuce, and strawberries more than offset increased prices for wheat, corn, broccoli, and broilers. The seasonal change in the mix of commodities farmers sell also affects the overall index. Decreased marketings of cattle, wheat, broilers, and grapes more than offset increased marketings of soybeans, corn, peanuts, and potatoes. The preliminary All Farm Products Index is also 7 points (6.6 percent) below September 2001. Lower prices for milk, broilers, hogs, and lettuce more than offset higher prices for corn, wheat, soybeans, and broccoli.

### AVERAGE PRICES RECEIVED BY FARMERS - (Dollars)

COMMODITY	UNIT	KENTUCKY			US
		SEPT 2001	AUG 2002	SEPT 2002	SEPT 2002
		Entire Month		Mid-Month <i>a/</i>	
All Corn <i>b/ c/</i>	Bu.	1.99	2.48	2.65	2.56
Soybeans <i>b/</i>	Bu.	4.57	5.58	5.60	5.54
Winter Wheat <i>b/</i>	Bu.	2.45	3.09	3.60	4.00
Alfalfa Hay, baled	Ton	95.00	95.00	105.00	102.00
All Other Hay,	Ton	55.00	55.00	61.00	74.80
All Hogs	Cwt.	42.60	27.60	22.60	26.50
Barrows & Gilts	Cwt.	43.00	28.00	23.00	27.10
Sows	Cwt.	34.00	18.00	13.00	15.20
All Beef Cattle <i>d/</i>	Cwt.	72.40	63.10	62.10	64.60
Steers & Heifers	Cwt.	82.00	72.00	71.00	67.60
Cows	Cwt.	42.00	36.00	34.00	35.40
Calves <i>f/</i>	Cwt.	95.00	80.00	79.00	93.00
Milk Wholesale					
All	Cwt.	18.10	12.80	12.80	11.50
Fluid <i>g/</i>	Cwt.	18.10	12.80	--	11.60
Manufactured	Cwt.	13.80	--	--	10.00
Hog-Corn Ratios	Bu.	21.4	11.1	8.5	10.4

*a/* Preliminary. *b/* Includes contract sales paid during month. *c/* Includes yellow and white corn. *d/* "Steers and heifers" and "cows" combined. *e/* 500 lbs. and over. *f/* Under 500 lbs. *g/* Includes surplus diverted to manufacturing. *h/* Number of bushels of corn equal in value to 100 lbs. of hog live weight.

## SEPTEMBER 1 HOG & PIG INVENTORY

**U.S.** inventory of all hogs and pigs on September 1, 2002, was 60.2 million head. This was 1 percent above September 1, 2001, and slightly above June 1, 2002. Breeding inventory, at 6.05 million head, was down 2 percent from September 1, 2001, and down 2 percent from last quarter. Market hog inventory, at 54.2 million head, was 1 percent above last year and slightly above last quarter.

The June-August 2002 **U.S.** pig crop, at 25.1 million head, was 2 percent less than both 2001 and 2000. Sows farrowing during this period totaled 2.83 million head, 2 percent below last year. The sows farrowed during this quarter represented 46 percent of the breeding herd. The average pigs per litter was 8.87 pigs saved per litter for the June-August 2002

period, unchanged from last year. Pigs saved per litter by size of operation ranged from 7.60 for operations with 1-99 hogs to 9.00 for operations with more than 5,000 hogs and pigs.

**U.S.** hog producers intend to have 2.82 million sows farrow during the September-November 2002 quarter, 2 percent below the actual farrowings during the same period in 2001, and 1 percent below 2000. Intended farrowings for December 2002-February 2003, at 2.81 million sows, are 1 percent below the same period in 2002, but up 2 percent from 2001. The total number of hogs under contract, owned by operations with over 5,000 head, but raised by contractees, accounted for 35 percent of the total **U.S.** hog inventory, unchanged from last year.

### HOGS AND PIGS: INVENTORY NUMBERS BY CLASS & WEIGHT GROUPS September 1, 2001 - 2002, SELECTED STATES AND U.S.

State	TOTAL		BREEDING		MARKET		MARKET HOGS							
	2002	2002	2002	2002	2002	2002	Under 60 lbs.		60-119 lbs		120-179 lbs		180 lbs +	
	1,000	% of	1,000	% of	1,000	% of	2001	2002	2001	2002	2001	2002	2001	2002
	Head	2001	Head	2001	Head	2001	(1,000 Head)							
AR	545	83	90	90	455	82	245	225	110	60	100	80	100	90
CO	750	96	145	83	605	100	340	300	80	95	75	90	110	120
IL	4,200	100	430	102	3,770	100	1,380	1,360	930	940	790	790	680	680
IN	3,150	100	330	100	2,820	100	1,050	1,010	700	700	550	580	520	530
IA	15,400	102	1,100	98	14,300	102	4,370	4,340	3,910	3,950	3,100	3,200	2,600	2,810
KS	1,550	97	160	97	1,390	97	470	475	290	255	275	245	400	415
MI	940	97	120	109	820	95	330	310	225	210	175	165	130	135
MN	6,100	103	580	98	5,520	104	2,190	2,170	1,320	1,410	1,060	1,140	740	800
MO	2,900	95	350	92	2,550	96	1,140	1,160	630	530	520	470	380	390
NE	2,900	98	360	100	2,540	98	1,030	990	670	640	510	520	380	390
NC	10,100	102	1,000	100	9,100	102	3,500	3,550	2,200	2,250	1,800	1,800	1,400	1,500
OH	1,490	101	160	100	1,330	102	545	540	325	320	270	280	170	190
OK	2,480	105	330	100	2,150	105	880	880	340	370	235	350	585	550
PA	1,060	98	125	100	935	98	375	335	250	245	180	180	150	175
SD	1,320	103	140	100	1,180	104	395	400	290	320	260	270	195	190
TX	990	111	100	105	890	112	295	255	180	240	145	195	175	200
WI	480	86	55	73	425	88	195	155	110	95	90	85	90	90
Other 1/	3,865	100	479	99	3,385	100	1,181	1,229	878	779	719	706	612	671
U.S.	60,220	101	6,054	98	54,165	101	19,911	19,684	13,438	13,409	10,854	11,146	9,417	9,926

1/ Individual State estimates not available for the 33 other states. Kentucky included in other States.

## CATTLE ON FEED

**Cattle and calves on feed** for slaughter market in the United States for feedlots with capacity of 1,000 or more head totaled 10.13 million head on September 1, 2002. The inventory was 7 percent below September 1, 2001 and 2 percent below September 1, 2000.

**Placements** in feedlots during August totaled 2.22 million, 1 percent above 2001 but 9 percent below 2000. Net placements were 2.18 million. During August, placements of cattle and calves weighing less than 600 pounds were 525,000, 600-699 pounds were 483,000, 700-799 pounds were 625,000, and 800 pounds and greater were 585,000. **Marketings** of fed cattle during August totaled 2.14 million, 2 percent below 2001 and 3 percent below 2000. **Other disappearance** totaled 43,000 during August, 20 percent below 2001 and 12 percent below 2000.

## CATTLE ON FEED 7 STATES 1/

**Cattle on feed** September 1, 2002, in the 7 States for feedlots with capacity of 1,000 or more head totaled 8.85 million, down 6 percent from the previous year and 1 percent below September 1, 2000.

**Placements** in feedlots during August totaled 1.94 million, 2 percent above 2001 but 7 percent below 2000.

**Marketings** during August totaled 1.81 million, 3 percent below 2001 and 5 percent below 2000.

**Other disappearance** during August was 35,000 head, 24 percent below 2001 and 3 percent below 2000.

1/AZ, CA, CO, IA, KS, NE, and TX.

## MILK PRODUCTION

**Kentucky** milk production for August 2002 totaled 125 million pounds, down 2 percent from August 2001, and down 2 percent from July 2002. Average number of cows, at 122,000 head, was 6,000 head below the previous year and 1,000 head below last month. Milk per cow, at 1,025 pounds during August, was up 25 pounds from a year ago, but down 10 pounds from last month.

Milk production in the **20 major States** during August totaled 12.2 billion pounds, up 3.8 percent from August 2001. July

revised production, at 12.3 billion pounds, was up 2.3 percent from July 2001. The July revision represented an increase of 1 million pounds from last month's preliminary production estimate. **Production per cow** in the 20 major States averaged 1,568 pounds for August, 48 pounds above August 2001. **The number of milk cows** on farms in the 20 major States was 7.79 million head, 51,000 head more than August 2001, and 3,000 head more than July 2002.

## RED MEAT PRODUCTION

**Commercial red meat production** for the U.S. totaled 4.14 billion pounds in August, up 2 percent from the 4.06 billion pounds produced in 2001. August 2001 contained 23 weekdays and 4 Saturdays. August 2002 contained 22 weekdays and 5 Saturdays.

**Beef production**, at 2.47 billion pounds, was 2 percent above the previous year. Cattle slaughter totaled 3.21 million head, down 1 percent from August 2001. The average live weight was 1,259 pounds, up 31 pounds from August a year ago.

**Pork production** totaled 1.64 billion pounds, up 2 percent from the previous year. Hog kill totaled 8.54 million head, 2 percent above August 2001. The average live weight was 259 pounds, up 1 pound from August a year ago.

COMMERCIAL RED MEAT PRODUCTION 1/

Type	Aug 2001	Jul 2002	Aug 2002	Aug. 02 % of	
				Aug 2001	Jul 2002
Million Pounds			Percent		
Beef	2,425	2,426	2,470	102	102
Veal	17.2	16.7	16.7	97	100
Pork	1,600	1,557	1,637	102	105
Lamb & Mutton	18.7	16.3	16.6	89	102
Total U.S.	4,061	4,016	4,140	102	103
<b>Total Kentucky</b>	<b>36.4</b>	<b>34.5</b>	<b>37.6</b>	<b>103</b>	<b>109</b>

1/ Based on packers' dressed weights and excludes farm slaughter.

COMMERCIAL SLAUGHTER, AUGUST 2001 & 2002 1/

Type	Number Slaughtered		Total Live Weight		Average Live Weight	
	2001	2002	2001	2002	2001	2002
1,000 head			1,000 lbs.			Pounds
Kentucky						
Cattle	1.0	1.0	897	940	908	907
Hogs	185.7	193.1	47,784	49,641	257	257
Sheep & Lambs	1.0	0.8	131	95	137	125
United States						
Cattle	3,239.4	3,213.3	3,976,718	4,045,025	1,228	1,259
Hogs	8,374.7	8,544.2	2,159,367	2,211,934	258	259
Sheep & Lambs	273.4	264.6	37,477	33,351	137	126

1/ Includes slaughter under Federal inspection and other Commercial slaughter, excludes farm slaughter.

## COLD STORAGE HIGHLIGHTS

**Frozen food stocks** in refrigerated warehouses on August 31, 2002, were greater than year earlier levels for pork, red meat, poultry, beef, and vegetables. Cooler stocks of pecans were also above last year.

ALL U.S. WAREHOUSE STOCKS

Commodity	Aug 31	Jul 31	Aug 31	Aug 02 as % of	
	2001	2002	2002	Aug '01	Jul '02
Frozen Poultry		1,000 lbs		Percent	
Chicken:					
Broilers (Whole)		36,230	33,689	165	93
Other Chicken		825,145	780,742	131	95
Total Chicken <u>1/</u>		869,226	820,679	131	94
Turkey		705,439	681,535	125	97
Total Frozen Poultry <u>2/</u>	1,179,00	1,581,838	1,509,868	128	95
Meat					
Total Frozen Beef		416,534	463,756	124	111
Pork:					
Bellies		29,925	15,250	120	51
Total Frozen Pork <u>3/</u>		472,184	463,343	139	98
Total Meat <u>4/</u>		912,606	950,567	130	104

1/ Includes broilers, hens and other chickens. 2/ Includes chicken, turkey and ducks. 3/ Includes picnics, hams, bellies, loins, ribs, trimmings, and other frozen pork. 4/ Includes frozen beef, pork, veal, lamb and mutton, other frozen meat, canned hams, and other canned meat.

## SMALL GRAINS

Farmers in **Kentucky** planted 550,000 acres of **winter wheat** in the fall of 2001 for harvest in 2002, unchanged from the previous year. Acres harvested for grain totaled 340,000, down 20,000 acres from 2001, and the fewest acres harvested since 1987. Average yield per acre was 53 bushels, 9 bushels below the record high yield of 62 bushels set in 2001 and the lowest average yield since 1996. Grain production was 18.0 million bushels, down 19 percent from the previous year, and the smallest crop since 1991. A very wet spring followed by a dry summer caused wheat yield and test weight to be below normal. Head scab reduced test weights and yields in many areas. The 210,000 acres not harvested for grain were cut for hay and silage or used for other purposes such as cover crop for tobacco. **U.S. all wheat** production totaled 1.62 billion bushels in 2002, down 4 percent from the last forecast and 17 percent below 2001. This was the lowest production

since 1972. Grain area was 46.0 million acres, down 5 percent from last year and the smallest area harvested since 1970. The yield was 35.3 bushels per acre, down 4.9 bushels from a year ago.

**Barley** production in **Kentucky** for 2002 totaled 512,000 bushels, down from 680,000 during 2001. Yield was estimated at 64 bushels per acre compared with the record high yield of 85 bushels recorded in 2001. Acreage for grain was 8,000 acres, the same as both 2000 and 2001. **U.S. barley** was estimated at 227 million bushels, down 10 percent from the August forecast and down 9 percent from last year's estimate. This year's production was the lowest since 1937. Average yield per acre, at 54.9 bushels, was down 1.0 bushel from August and down 3.3 bushels from 2001. The area harvested for grain was estimated at 4.14 million acres, down 8 percent from August and 4 percent below a year ago, and was the lowest level since 1898.

## SEPTEMBER 1 GRAIN STOCKS

**Kentucky corn** stocks totaled 11.2 million bushels on September 1, 2002. This was 11 percent above September 1, 2001 and 19 percent above September 1, 2000. Corn stored on farms totaled 6.0 million bushels, 3 percent above the previous year but equal to the September 2000 level. Corn stored on farms accounted for 54 percent of total stocks. Corn stored in off-farm facilities, at 5.17 million bushels, was up 21 percent from September 2001, and the largest total since September 1993. Off-farm stocks accounted for 46 percent of the total. Off-farm stocks include grain stored at mills, elevators, warehouses, terminals and processors. Wheat and oat stocks estimates in Kentucky were made only for off-farm stocks. Off-farm stocks of **oats** was 112,000 bushels, compared with 318,000 bushels a year ago. Off-farm stocks of **all wheat** totaled 7.8 million bushels, 23 percent below September 2001, and the smallest September total since 1998. **Grainsorghum, barley** and **soybeans** stored in off-farm facilities were not published to avoid disclosure of individual operations.

**U.S.** old crop **corn** stocks in all positions on September 1, 2002 totaled 1.60 billion bushels, down 16 percent from September 1,

2001. Of the total stocks, 587 million bushels were stored on farms, down 22 percent from a year earlier. Off-farm stocks, at 1.01 billion bushels, were down 12 percent from the previous year. The June - August 2002 indicated disappearance was 2.00 billion bushels, compared with 2.02 billion bushels during the same period last year. Old crop **soybeans** stored in all positions on September 1, 2002 totaled 208 million bushels, down 16 percent from September 1, 2001. On-farm stocks totaled 62.7 million bushels, down 25 percent from a year ago. Off-farm stocks, at 145 million bushels, were down 11 percent from a year ago. Indicated disappearance for the June - August 2002 quarter totaled 477 million bushels, up 4 percent from the same period a year earlier. **All wheat** stored in all positions on September 1, 2002 totaled 1.74 billion bushels, down 19 percent from a year ago. On-farm stocks were estimated at 588 million bushels, down 16 percent from last year. Off-farm stocks, at 1.15 billion bushels, were down 21 percent from a year ago. The indicated June - August 2002 disappearance was 662 million bushels, down 2 percent from the same period a year earlier.

### KENTUCKY AND UNITED STATES STOCKS OF GRAIN SEPTEMBER 1, 2002 WITH COMPARISONS

CROP	POSITION	KENTUCKY			UNITED STATES		
		Sept. 1 2001	June 1 2002	Sept. 1 2002	Sept. 1 2001	June 1 2002	Sept. 1 2002
(Thousand Bushels)							
Corn	On-Farm	5,800	17,500	6,000	753,150	2,020,600	586,800
(Old Crop)	Off-Farm <u>1/</u>	4,278	12,768	5,171	1,145,958	1,576,290 <u>5/</u>	1,012,620
	Total	10,078	30,268	11,171	1,899,108	3,596,890 <u>5/</u>	1,599,420
Sorghum	On-Farm	<u>2/</u>	<u>2/</u>	<u>2/</u>	8,900	17,300	7,400
(Old Crop)	Off-Farm <u>1/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	32,851	88,178 <u>5/</u>	51,975
	Total	<u>2/</u>	<u>2/</u>	<u>2/</u>	41,751	105,478 <u>5/</u>	59,375
Oats	On-Farm	<u>3/</u>	<u>3/</u>	<u>3/</u>	74,800	28,650	70,500
	Off-Farm <u>1/</u>	318	<u>4/</u>	112	41,592	34,552 <u>5/</u>	40,982
	Total	318	<u>4/</u>	112	116,392	63,202 <u>5/</u>	111,482
Barley	On-Farm	<u>2/</u>	<u>2/</u>	<u>2/</u>	134,800	23,210	131,600
	Off-Farm <u>1/</u>	<u>4/</u>	<u>4/</u>	<u>4/</u>	110,564	69,631	92,419
	Total	<u>2/</u>	<u>2/</u>	<u>2/</u>	245,364	92,841	224,019
All Wheat	On-Farm	<u>2/</u>	<u>2/</u>	<u>2/</u>	696,850	216,830 <u>5/</u>	588,200
	Off-Farm <u>1/</u>	10,090	2,158	7,766	1,458,964	560,282 <u>5/</u>	1,151,952
	Total	<u>2/</u>	<u>2/</u>	<u>2/</u>	2,155,814	777,112 <u>5/</u>	1,740,152
Soybeans	On-Farm	<u>2/</u>	<u>2/</u>	<u>2/</u>	83,500	301,200	62,700
(Old Crop)	Off-Farm <u>1/</u>	2,406	4,861	<u>2/</u>	164,247	383,721 <u>5/</u>	145,487
	Total	<u>2/</u>	<u>2/</u>	<u>2/</u>	247,747	684,921 <u>5/</u>	208,187

1/ Includes stocks at mills, elevators, warehouses, terminals and processors. 2/ Kentucky is a minor State, not published separately. 3/ On-farm stocks estimates not made. 4/ Not published to avoid disclosure of individual operations. 5/ Revised.

**Internet Access:** Kentucky Agricultural Statistics Service (KASS) data including this report are available free of charge on our Internet homepage located at <http://www.nass.usda.gov/ky>. Links to the Kentucky Department of Agriculture, the University of Kentucky Agricultural Weather Center and other web sites related to Kentucky Agriculture are also included. National & State reports and data are available on the National Agricultural Statistics Service (NASS) homepage located at <http://www.usda.gov/nass/>

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